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RUEHLP/AMEMBASSY LA PAZ 4599

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STATE FOR IIP/G/WHA, INR/R/MR, WHA/BSC, WHA/PDA, INR/IAA

AMEMBASSY FOR PAO/IO

E.O. 12958: N/A  
TAGS: [OPRC](#) [KMDR](#) [KPAO](#) [CI](#) [BL](#)  
SUBJECT: MEDIA REACTION - BOLIVIA

On May 4, business and financial daily "Diario Financiero" (circ. 20,000) carried an editorial entitled, "The Effect of Bolivia's Decision." Quote:

"Although we do not know much about the new regime in Bolivia, it is clear that nationalized companies will not be compensated. It is also fairly evident that Bolivia's decision marks only the beginning of a new stage.... Morales' decision is a setback and in the long term will bring more damage than benefit to his country. How can Bolivia develop its own energy resources and what foreign company will want to invest in Bolivia with these laws...that will unquestionably hurt its growth and bury it in increasing poverty?"

KELLY